

STATE OF HAWAII DEPARTMENT OF TRANSPORTATION

AIRPORTS DIVISION 400 Rodgers Boulevard, Suite 700 Honolulu, Hawaii 96819-1880

May 16, 2008

BRENNON T. MORIOKA DIRECTOR

Deputy Directors
MICHAEL D. FORMBY
FRANCIS PAUL KEENO
BRIAN H. SEKIGUCHI

IN REPLY REFER TO:

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AND MAY 19 P 12: 02

TO:

(1) DIR (BRENNON T. MORIOKA)

- (2) DLNR (LAURA H. THIELEN) C/O ADALINE CUMMINGS
- (3) AIR-PM (ROSS SMITH)

FROM:

DEP-A (BRIAN H. SEKIGUCHI) 1/5)

SUBJECT:

LAND BOARD SUBMITTAL

AMENDMENT NO. 10 TO LEASE NO. DOT-A-92-0018

RESTAURANT AND LOUNGE CONCESSION

HOST INTERNATIONAL INC.

HONOLULU INTERNATIONAL AIRPORT

Attached is the subject submittal for your approval. Please place on the next Land Board agenda.

If there are any questions, please call Sandy Gillis at 838-8075.

Attachment



STATE OF HAWAII DEPARTMENT OF TRANSPORTATION 869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

BRENNON T. MORIOKA DIRECTOR

Deputy Directors
MICHAEL D. FORMBY
FRANCIS PAUL KEENO
BRIAN H. SEKIGUCHI

IN REPLY REFER TO:

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

> Amendment No. 10 to Lease No. DOT-A-92-0018 Restaurant and Lounge Concession Lease Host International Inc., Honolulu International Airport

OAHU

PURPOSE:

To amend the existing Lease at the Honolulu International Airport for allowance of additional floor space to facilitate the food and beverage operations. Under Article III of the Lease, the specific area assigned or provided for the concession activity may be changed at the discretion of the Director of Transportation.

APPLICANT:

Host International, Inc. whose business address is 6905 Rockledge Drive, Bethesda, Maryland 20817.

LEGAL REFERENCE:

Chapter 102, and Section 261-7, Hawaii Revised Statutes, as amended. Act 201 Session Laws of Hawaii 2004.

LOCATION AND TAX MAP KEY:

Honolulu International Airport; 1st Division -1-1-03: Portion of 1 (Honolulu)

ZONING:

State Land Use District:

Urban

County of Honolulu

Industrial (I-2)

BLNR – Amendment No. 10 to Lease No. DOT-A-92-0018 Host International, Inc.

LAND TITLE STATUS:

Section 5 (a) lands of the Hawaii Admissions Act: <u>Non-Ceded</u>
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: Yes No <u>X</u>

PREMISES:

Additional open seating areas: Building 341, Space No. 272F, containing an area of approximately 274 square feet as shown on attached Exhibit B-29 dated April 2008.

TERM:

To run for the balance of the term of the existing lease that expires on April 30, 2014.

IMPROVEMENTS:

Applicant will construct and install all improvements to Building 341, Space No. 272F at its sole cost.

RENTAL:

No additional square footage floor rent will be charged. All gross receipts generated from the additional space will be included with the gross receipts of the concession. The concessionaire pays the greater of the minimum annual guaranteed rent or a percentage of gross receipts as the concession fee. The percentage rent rates for the concession are eight percent (8%) of gross receipts from food and thirteen percent (13%) of gross receipts from alcohol.

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8 (a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawaii Revised Statutes, as amended, relating to Environmental Impact Statements because the proposed action falls within Exemption Class #3, Comprehensive Exemption List for the State of Hawaii, Department of Transportation dated November 14, 2000, as approved by the Environmental Quality Council. Exemption Class #3 covers construction and location of single, new, small facilities or structures and the alteration and modification of same and installation of new, small, equipment and facilities and the alteration and modification of same including, but not limited to (e) 2. accessory or appurtenant structures involving the

construction/modification/alteration of carports, personnel (bus type) shelters, and specialty storage facilities such as paint sheds and structures not exceeding 1,000 square feet on the Department of Transportation property.

REMARKS:

The DOT and the Concessionaire entered into that certain concession lease (Lease No. DOT-A-92-0018) dated March 2, 1993, for the Restaurant and Lounge Concession at the Honolulu International Airport (Airport). Previous amendments allowed the inclusion of additional spaces to offer increased food and beverage services to travelers. This additional space will provide our airport travelers with a safe area to relax and enjoy their purchased food and beverages.

RECOMMENDATION:

The Board authorizes (1) the Department of Transportation to amend Article III. Premises of the subject Lease as herein outlined, which are by reference incorporated herein; (2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval by the Department of the Attorney General.

> Munastan BRENNON T. MORIOKA, Ph.D., P.E. Director of Transportation

Respectfully submitted,

APPROVED FOR SUBMITTAL: LAURA H. THIELEN

Chairperson and Member

